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LAW OFFICES

ALVORD AND ALVORD

200 WORLD CENTER BUILDING

918 SIXTEENTH STREET, N.W.

WASHINGTON, D. C.

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AREA CODE 202

393-2266

TELEX

440367 A AND A WSH (INTERNATIONAL)

440348 CDAA UI (INTERNATIONAL)

892482 A AND A WSH (DOMESTIC)

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD
ALBERT H. GREENE
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CHARLES T. KAPPLER
JOHN H. DOYLE
MILTON C. GRACE*
GEORGE JOHN KETO**
RICHARD N. BAGENSTOS

* NOT A MEMBER OF D.C. BAR
** ALSO A MEMBER OF OHIO BAR

May 28, MAY 28 1982-2 65 PM

2-148A061

INTERSTATE COMMERCE COMMISSION

Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
Washington, D.C.

No. MAY 28 1982
Date
Fee \$10.00

Dear Madam:

ICC Washington, D. C.

Enclosed herewith for recordation pursuant to the provisions of 49 U.S.C. §11303 are duplicate originals of an Amendment to Security Agreement dated as of April 20, 1982.

The enclosed which is a "secondary document" as that term is defined in 49 C.F.R. §1116.1(b) amends a Security Agreement dated as of April 27, 1979 which was duly filed and recorded at 9:45 a.m. on May 3, 1979 and assigned Recordation Number 10332.

The railroad equipment covered by the enclosed document is described in the Amended and Restated Schedule I which is attached hereto and made a part hereof.

The names and addresses of the parties to the enclosed document are:

Debtor: Railroad Boxcar Associates II
425 Park Avenue
New York, New York 10022

Secured
Party : U.S. Steel Credit Corporation
600 Grant Street
Pittsburgh, PA 15230

The undersigned is agent for the Secured Party for the purpose of recording the enclosed document and has knowledge of the matters set forth therein.

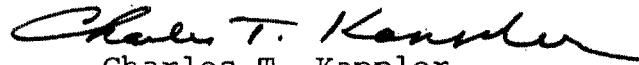
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Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
May 28, 1982
Page Two

Kindly return one of the duplicate originals to
Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth
Street, N.W., Washington, D.C. 20006.

Also enclosed is a check in the amount of \$10.00
payable to the order of the Interstate Commerce Commission
covering the required recordation fee.

Very truly yours,


Charles T. Kappler

RAILROAD BOXCAR ASSOCIATES II
AMENDED AND RESTATED SCHEDULE I

DESCRIPTION OF EQUIPMENT

Builders Specifications	Quantity	Equipment Numbers (Inclusive)
50' 6", 70-ton single sheaved boxcars without side posts, 10'0" sliding doors, rigid underframe	100	AVL 151446-151449 AVL 155463 AVL 155465 AVL 155468-155470 AVL 155472-155473 AVL 155477-155480 AVL 155484-155491 AVL 155493-155494 AVL 155497 AVL 155500-155508 AVL 155510-155511 AVL 155514-155516 AVL 155518-155519 AVL 155521 AVL 155523-155528 AVL 155531-155536 MISS 155462 MISS 155464 MISS 155466-155467 MISS 155471 MISS 155475 MISS 155482 MISS 155509 NSL 155474 NSL 155476 NSL 155481 NSL 155483 NSL 155492 NSL 155495-155496 NSL 155498-155499 NSL 155512-155513 NSL 155517 NSL 155520 NSL 155522 NSL 155529-155530 PT 201158-201178

RECORDATION NO. 10332-A

MAY 28 1982 - 2 15 PM

INTERSTATE COMMERCE COMMISSION

AMENDMENT TO SECURITY AGREEMENT

THIS AMENDMENT is dated as of April 20, 1982 and amends that certain Security Agreement dated as of April 27, 1979 (the "Security Agreement") between RAILROAD BOXCAR ASSOCIATES II (the "Debtor") and U.S. STEEL CREDIT CORPORATION (the "Secured Party").

WHEREAS, the parties hereto are parties to the Security Agreement filed with the Interstate Commerce Commission ("ICC") at Recordation No. 10332 on May 3, 1979; and

WHEREAS, the parties have entered into that certain Forbearance Agreement dated as of April 20, 1982 (the "Forbearance Agreement"), which requires certain amendments to the Security Agreement,

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledge, the parties hereto do hereby agree as follows:

1. Indebtedness Secured. The term "indebtedness hereby secured" as defined in the Security Agreement shall also include all amounts due and owing from the Debtor to the Secured Party pursuant to the terms of the Forbearance Agreement.

2. Equipment Collateral. Schedule I to the Security Agreement is hereby amended so as to substitute therefor the Amended and Restated Schedule I attached hereto and made a part hereof to reflect the renumbering of certain Items of Equipment.

3. Additional Collateral. The "Other Collateral" described in general in Section 1.3 of the Security Agreement, includes, as of the date hereof, the following specific items: right, title, interest, claims and demands of the Debtor in, under and to, (i) that certain Management Agreement dated as of October 31, 1980 between Saul Duff Kronovet, as agent for Debtor and certain other owners of railroad boxcars and Arbox Three Corp. ("ARTE"), as manager (the "ARTE Agreement"); (ii) that certain Management Agreement dated as of April 15, 1982 between Saul Duff Kronovet, as agent for Debtor and certain other owners of railroad boxcars and CIS Equipment Leasing Corporation ("CISEL") as manager (the "CISEL Agreement") and (iii) the Maintenance Fund ~~with Pittsburgh National Bank~~ established under Section 2.4(a) of the Forbearance Agreement. Included in the ARTE Agreement and the CISEL Agreement are all amendments thereto whether now existing or hereafter entered into, including all extensions and all rights, powers, privileges, options and other benefits of the Debtor under the ARTE Agreement and the CISEL Agreement including, without limitation, the following:

(a) The immediate and continuing right to receive and collect all rentals, payments of Casualty Value, insurance proceeds, condemnation awards and other payments, tenders and security now or hereafter payable to or receivable by the Debtor under the ARTE Agreement or the CISEL Agreement;

(b) The right to make all waivers and agreements and to give and receive duplicate copies of all notices and other instruments or communications pursuant thereto; and

(c) The right to take action upon the occurrence of an Event of Default thereunder or an event which with the lapse of time or giving of notice, or both, would constitute an Event of Default thereunder, including the commencement, conduct and consummation of legal, administrative or other proceedings as shall be permitted by the ARTE Agreement or the CISEL Agreement or by law and to do any and all other things whatsoever which the Debtor or any lessor is or may be entitled to do under said ARTE Agreement or CISEL Agreement.

4. Termination. The parties hereto agree that the Debtor shall have the right, from time to time, to terminate that certain Management Agreement dated as of April 27, 1979 between Debtor and National Railway Utilization Corporation ("NRUC") as manager (the "NRUC Agreement") as to any and all of the Equipment and to release and discharge NRUC from any and all of its obligations thereunder; provided, however, that any Item of Equipment, as to which the NRUC Agreement is to be terminated, must simultaneously be accepted by ARTE under the ARTE Agreement.

5. Cancellation of Maintenance Agreement. It is understood that the Maintenance Agreement as defined in the Security Agreement has been cancelled, and all references thereto are hereby deleted.

6. Supplementary Definitions.

(a) In applying the provisions of the Security Agreement from and after the date of this Amendment, references

contained in the Security Agreement to the "Management Agreement" and to "NRUC", respectively, shall be understood and construed as referring to and meaning the ARTE Agreement and ARTE, the CISEL Agreement and CISEL or any subsequent management contract or subcontract entered into by the Debtor or ARTE with the prior consent of Secured Party with respect to any Item of Equipment and any subsequent manager, respectively, except that with respect to Equipment as to which the NRUC Agreement shall not (at the time of reference) have been terminated in accordance with Paragraph 4 above, said references shall continue to be understood and construed as referring to and meaning said NRUC Agreement and National Railway Utilization Corporation, respectively (and not said ARTE Agreement and ARTE, the CISEL Agreement and CISEL or any other management contract and manager); provided, that (i) for purposes of applying the provisions of the Security Agreement to transactions and events occurring before the date of this Amendment, said references shall continue to be understood and construed as referring to and meaning said NRUC Agreement and National Railway Utilization Corporation, respectively (and not said ARTE Agreement and ARTE, CISEL Agreement and CISEL or any other management contract and manager);

(ii) installments of rental under the NRUC Agreement, the ARTE Agreement, the CISEL Agreement and any other management contract or subcontract with respect to any Item of Equipment which are received by the Debtor or the Secured Party, shall be combined and taken into account together in applying the provisions of Section 4.1 of the Security Agreement (relating to the application of installments

of rental); (iii) the references to Management Agreement and NRUC contained in Section 5.1(b) of the Security Agreement shall continue to refer only to the NRUC Agreement and the National Railway Utilization Corp., as the case may be; and (iv) references to specific sections of the Management Agreement shall refer to the sections, if any, of the ARTE Agreement, the CISEL Agreement or any other management contract or subcontract with respect to the equivalent subject matter as that contained in the referred to Section of the NRUC Agreement.

(b) "Fundamental Agreements" as defined in the Security Agreement shall also include the Forbearance Agreement and any amendments from time to time with respect to any of the included agreements and shall exclude the Maintenance Agreement.

(c) "Event of Default" as defined in the Security Agreement shall also include (i) an Event of Default as defined and set forth in Section 12 of the ARTE Management Agreement; (ii) an Event of Default as defined and set forth in Section 6.1 of the Forbearance Agreement; and (iii) a default under the CISEL Agreement or any subsequent management agreement or subcontract entered into by the Debtor or ARTE with respect to any Item of Equipment (after giving effect to any express period of cure with respect to any such default).

7. Modification of Certain Provisions by Forbearance Agreement. The provisions of Sections 4.1 and 7.14 of the Security Agreement will continue to apply except as modified by Section 2.2 of the Forbearance Agreement.

8. Additional Remedies. In addition to the rights of Secured Party set forth in Section 5.2 of the Security Agreement, when any Event of Default shall have occurred and be continuing, the Secured Party shall be entitled, upon five (5) days written notice to the Debtor and ARTE, to terminate the ARTE Agreement without penalty.

9. Further Modifications. Except as expressly set forth herein, the Security Agreement shall remain in full force and effect, unamended and unmodified.

IN WITNESS WHEREOF, the Debtor and the Secured Party have executed this Amendment as of the day and year first above written.

WITNESS:

RAILROAD BOXCAR ASSOCIATES II



By


General Partner

ATTEST:

U.S. STEEL CREDIT CORPORATION


By
VICE President

STATE OF NEW YORK :
 : SS
COUNTY OF NEW YORK :

On this 24th day of May, 1982, before me personally appeared LILYAN R. WAXMAN, to me personally known, who being by me duly sworn, says that she is the Managing General Partner of RAILROAD BOXCAR ASSOCIATES II, that said instrument was signed and sealed on behalf of said partnership by authority of its Partnership Agreement; and she acknowledged that the execution of the foregoing instrument was the free act and deed of said partnership.

Jean W. Spencer
Notary Public

(SEAL)

My Commission expires:

JEAN W. SPENCER
Notary Public, State of New York
No. 31-4698718
Qualified in New York County
Commission Expires March 30, 1983

COMMONWEALTH OF PENNSYLVANIA :
 : SS
COUNTY OF ALLEGHENY :

On this 20th day of May, 1982, before me personally appeared ROGER D. CRAFE, to me personally known, who being by me duly sworn, says that he is the Vice President-Leasing of U. S. STEEL CREDIT CORPORATION, that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Kathleen A. Kacin
Notary Public

-(SEAL)

My Commission expires:

KATHLEEN A. KACIN, Notary Public
Pittsburgh, Allegheny County, Pa.
My Commission Expires Sept. 29, 1983

RAILROAD BOXCAR ASSOCIATES II

AMENDED AND RESTATED SCHEDULE I

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